

**BARTONVILLE WATER SUPPLY CORPORATION  
MINUTES of the BOARD OF DIRECTORS MEETING  
MONDAY, July 19, 2010 AT 7:00 P.M.**

---

**1. Call to Order**

Mr. Kaufman called the meeting of the Board of Directors of Bartonville Water Supply Corporation to order at 7:01 P.M. on Monday, July 19, 2010, at the Bartonville Water Supply Corporation offices, 1911 E. Jeter Rd, Bartonville, TX 76226.

**Directors in Attendance:**

Larry Kaufman, President  
Patrick McDonald, Secretary-Treasurer  
Gracie Egan  
Susan Crawford  
David Moore  
Michael Paulson, Vice President  
Dean White

**Staff in Attendance:**

Jim Leggieri, General Manager  
Lloyd Hanson, Controller

**Consultants in Attendance:**

Virginia Moore, Attorney

**Others in Attendance:**

None

**2. Mr. Kaufman announced that the Board would go into Executive Session at 7:02 P.M.**

The Board Reconvened into Regular Session at 8:30 P.M.

**3. Public Forum for Non-Agenda Items**

No one was in attendance.

**The Board took a five minute break and reconvened at 8:35 p.m.**

**4. Approve the Minutes of the June 21, 2010 Board Minutes**

Motion by Mike Paulson and seconded by David Moore to approve the minutes of the June 21 meeting. A correction to the date of the minutes and Item 6 was noted and included in the motion (change date to June 21, 2010; May to July on Item 6). Motion approved unanimously as corrected.

**5. Approve the June 2010 Disbursement and Financial Report**

- a) Motion by Mike Paulson and second by Susan Crawford to approve the June 2010 Financial Reports. Mr. Hanson presented an analysis of the financial statements and answered questions. Motion approved unanimously.
- b) Mr. Hanson gave an update on the status of moving the billing to the first of the month including potential changes to Section E of the Tariff. No action taken.
- c) Mr. Hanson provided an update on the implementation of the online billing features. No action taken.
- d) Mr. Hanson provided an update on the CDARS rate for the Board. No action taken.
- e) Mr. Hanson gave an update on capital expenditures for the year. The Board asked that Staff prepare an updated Capital Plan prior to the beginning of the Budget planning for 2011 and future years. No action taken.
- f) Mr. Hanson gave an update on an inventory of savings programs for the year including the initial benefits of adding the Stonewood well to the operations. No action taken.
- g) Mr. Hanson provided the current calculation of the Equity Buy-In Fee for 2010-11. Motion by Mike Paulson and second by Pat McDonald to keep the Equity Buy-In fee at the same rate as in 2009. Motion approved unanimously.
- h) Mr. Hanson provided background and costs for the purchase and installation of 554 Orion Electronic Meters to complete the replacement of old meters and move the entire system to the Orion meter reading tool. Motion by Pat McDonald and second by Susan Crawford to approve the purchase of 554 Orion Electronic Meters. Motion approved unanimously.

**BARTONVILLE WATER SUPPLY CORPORATION**  
**MINUTES of the BOARD OF DIRECTORS MEETING**  
**MONDAY, July 19, 2010 AT 7:00 P.M.**

---

**6. Consulting Engineer's Report**

Kerry Maroney, the Consulting Engineer, was not at the meeting. Mr. Leggieri included any engineering items in his report.

**7. Discussion and Action on All Matters Regarding the General Manager's Report to Include Possible Discussion and Action on the Following Items:**

**a) Copper Canyon Rd./Road Project/Widening**

No action taken

**b) FM/Briar Hill/Justin Road – In Progress**

No action taken. Mr. Leggieri noted that the agreement with Highland Village to provide water to our customer's in that area has been signed. We're working on making the connection to our customer's lines.

**c) Elevated Tank Site #2 / Star Gate Well – In Progress**

No action taken. Mr. Leggieri noted that the Town of Bartonville P & Z will address our plans on August 18. The well has reached the 14 ½" sized hole and is drilled to 800 feet. Total sized hole of the well will be 26".

**d) 2010 Capital Project Improvements – In Progress**

No action taken.

**e) Orchid Hill Lane / Chinn Chapel Rd. / Infrastructure Modifications**

All work complete on Orchid Hill. Mr. Leggieri provided an update on the Chinn Chapel Road work and its impact on BWSC's water line. No action taken.

**f) Hawk/Porter Road Water Line Loop Project Plans**

No action taken. Plans have been received from the Engineer and Mr. Leggieri is adding valve sites to the plans.

**g) Added Office Security Measures/Findings/Report**

The Board asked questions on security at the well sites and asked the Staff to provide a recommendation on security for the office building at the next meeting. No action taken.

**h) Installation of Variable Frequency Drive (VFD) High Service Motors/Controls at the Stonewood Pump Station**

Mr. Leggieri provided information on the benefits and costs of purchasing and installing VFD High Service Motors/Controls at the new Stonewood Well Pump Station. Mr. Leggieri also provided information on stressed pumping of the well and its recovery rates. Motion by Mike Paulson and second by David Moore to approve the purchase and installation of VFD High Service Motors/Controls. Motion approved unanimously.

**i) Stonewood Well #2 – Release of the Retention on the Stonewood Well Project**

**Mr. Kaufman announced that the Board would go into Executive Session at 9:39 p.m.**

The Board reconvened into regular session at 9:44 p.m.

The Board discussed the history of the retention. Motion by Mike Paulson and second by Susan Crawford to release the retention of \$54,608.20 on the Stonewood Well to H2M. Motion approved unanimously.

**8. Discussion and Action on All Matters Concerning the Conditional Use Permit for an Elevated Water Tank.**

No action taken.

**9. Discussion and Action on TXDOT/Simmons Rd./407 Elevated Tank Site Property Offer.**

No action taken.

**10. Discussion and Action on all Matters Concerning Voting Procedures, Including Proxies, Relating to the Annual Meeting of the Members of the Corporation.**

No action taken. Staff was asked to provide a full package of information at a future Board Meeting for approval.

**11. Discussion and Action on all Matters Concerning Security devices or a Security Audit.**

**BARTONVILLE WATER SUPPLY CORPORATION  
MINUTES of the BOARD OF DIRECTORS MEETING  
MONDAY, July 19, 2010 AT 7:00 P.M.**

---

No action taken. Staff was requested to bring a formal recommendation at the next meeting.

**12. Discussion and Action on all Matters Concerning Possible Actions to Protect the Corporation's Water Wells From Possible Contamination Caused by Oil and Gas Drilling in the Barnett Shale and Availability of Remedies if Contamination Were to Occur**

Mr. Kaufman appointed David Moore to represent the Board with Susan Crawford as a second representative at upcoming Double Oak meetings regarding Oil & Gas Drilling near our Elevated Tank site. The Board also noted that Mr. Leggieri has permission to use engineering resources/legal counsel and other resources as he sees the need if issues arise that require counsel and advice. The Board asked our Counsel, Virginia Moore, to keep us informed as to any conflicts of interest that may arise in her representing BWSC in these matters.

**13. Discussion and Action on BWSC's Tariff, including Changes to Section G. – Rates and Service Fees**

Mr. Hanson provided information on Rates & Service Fees filed with the TCEQ and proposed changes to the filing sections to bring everything into compliance with the TRWA Sample Tariff sections. Counsel recommended that the Tariff be filed in its entirety whenever it is filed. Discussion was held about ensuring that the Policy and Procedures Manual be compared to ensure it is also in compliance with the filed Tariff. A motion was made and then withdrawn regarding filing the Tariff. The Board asked that the Staff prepare a filing of the entire Tariff and present it at the next meeting for review and approval.

**14. Review Future Agenda Items, Activities and Announcements.**

Susan Crawford has completed the Open Meetings self study course.

The next meeting was set for August 16, 2010, at 7 p.m.

Items to include in the August Agenda

- a. Tariff Filing
- b. Comparison of rates in place at other Water Supply Corporations & Municipalities
- c. Recommendation of Security System Changes
- d. Update of Oil & Gas Drilling in our CCN

**15. Adjournment**

Motion by Gracie Egan and second by Pat McDonald to adjourn at 10:10 p.m. Motion approved unanimously.

---

TRANSCRIBED BY LLOYD HANSON, CONTROLLER

---

CERTIFIED BY PATRICK MCDONALD, SECRETARY-TREASURER